GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:79
ANSWERED ON:15.07.2002
UNITS OF KVIC
BIR SING MAHATO;HARIBHAI PARTHIBHAI CHAUDHARY;MANSINH PATEL

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) the number of units of Khadi and Village Industries Commission(KVIC) established in Gujarat and West Bengal during the last three years alongwith the financial assistance provided to them;

(b) the details of progress made with regard to rural industrialization and employment to the rural youths under various schemes in these States;

(c) the details of programmes prepared under the KVIC andfacilities/incentives proposed to be provided alongwith the targets fixed for these States for the current financial year; and

(d) the details of changes proposed to be made in the current schemes alongwith new proposals to be initiated in these States?

Answer

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA)

(a): The number of projects financed under the Rural EmploymentGeneration Programme (REGP) of the Khadi and Village Industries Commission (KVIC) and financial assistance provided to Gujarat and West Bengal are given as under :-

Year	No. of projects		Rs. in lakhs	
	Gujarat	West Bengal	Gujarat	West Bengal
	Grant	Loan	Grant	Loan
1998-1999	20	1513	2823.52	72.47	5655.30	523.98
1999-2000	169	6230	1598.81	19.38	332.14	14.92
2000-2001	356	781	1167.46	19.71	225.30	101.81

(b) & (c): For the development of KVI sector, the Government through the Khadi and Village Industries Commission (KVIC) is implementing the Rural Employment Generation Programme(REGP) throughout the country including Gujarat and West Benagal. Under this scheme, the KVIC provides margin money assistance at the rate of 25% of the project cost upto Rs. 10 lakhs and for projects above Rs. 10 lakhs and upto Rs. 25 lakhs,rate of margin money is 25% of Rs. 10 lakhs plus 10% on remaining cost of the project. In the case of SC/ST/ OBC/Women/ Physically Handicapped/Ex-Servicemen and Minority Community beneficiary / institutio and for hill border and tribal areas, North Eastern Region, Sikkim, Andaman & Nicobar Islands, Lakshadweep, the margin money grant is 30% of the project cost upto Rs. 10 lakhs but above this amount and upto Rs. 25 lakhs it is 30% of Rs. 10 lakhs plus 10% of the remaining cost of the project. Under this scheme, the beneficiary's contribution is at least 10% of the project cost. In case of SC/ST and other weaker sections, beneficiary's contribution is 5% of the project cost. This scheme is being implemented through Public Sector banks, Regional Rural Banks etc.

Moreover, a package for the development and promotion of KVI sector, announced on 14.5.2001, is under various stages of implementations. The package consists of Rebate Policy for five years, option of Rebate and Market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities, measures to promote marketing, brand building, cluster development etc. The target set under REGP for financing projects during current financial year in Gujarat and West Bengal are 928 and 1044, respectively.

(d): No changes are contemplated at present in the current schemes during the current financial year.